

STATE OF HAWAII - DEPARTMENT OF TAXATION
**Underpayment of Estimated Tax by Corporations
and S Corporations**

1997

➤ Attach this form to your tax return

Name(s) as shown on tax return	Federal Employer I.D. Number
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Part I Reason For Filing—if box a or b below applies, check the applicable box(es) and file Form N-220 with Form N-30 or Form N-35. If box c below applies, file Form N-220 with Form N-30 or Form N-35.

Check whichever box(es) applies. If none of the boxes apply to the corporation or S corporation, go on to Part II.

- a** ☐ The corporation or S corporation is using the annualized income installment method.
b ☐ The corporation or S corporation is using the adjusted seasonal installment method.
c ☐ The corporation or S corporation is a "large corporation" computing its first installment based on the prior year's tax.

Part II Figuring Your Underpayment

1 Total tax (see Instructions)	1	
2a Total credits. (see Instructions) (S Corporations, enter -0-).....	2a	
2b Interest due under the look-back method of IRC section 460(b)(2) for completed long-term contracts included on line 1	2b	
2c Total. Add lines 2a and 2b.	2c	
3 Line 1 minus line 2c. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty	3	
4 Enter the tax shown on the corporation's 1996 income tax return. (CAUTION: See Instructions before completing this line.)	4	
5 Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 on line 5	5	

	(a)	(b)	(c)	(d)
6 Installment due dates. Enter in columns (a) through (d) the 20th day of the 4th, 6th, and 9th months of the corporation's tax year and the 20th day of the 1st month following the close of the tax year				
7 Required installments. Enter 25% of line 5 in columns (a) through (d) unless box(es) a , b , or c in Part I above applies to the corporation. If box(es) a , b , or c applies, enter the amounts from Schedule A, line 41				
8 Estimated tax paid or credited for each period (see Instructions). For column (a) only, enter the amount from line 8 on line 12				
9 Enter amount, if any, from line 15 of preceding column.				
10 Add lines 8 and 9.				
11 Add amounts on lines 13 and 14 of the preceding column.....				
12 Line 10 minus line 11. If zero or less, enter -0-. For column (a) only, enter the amount from line 8.....				
13 If the amount on line 12 is zero, subtract line 9 from line 11. Otherwise, enter -0-.....				
14 Underpayment. If line 7 is equal to or more than line 12, subtract line 12 from line 7, then go to line 9 of the next column. Otherwise go to line 15. (see Instructions)				
15 Overpayment. If line 12 is more than line 7, subtract line 7 from line 12, then go to line 9 of the next column.				

Complete Part II on page 2 to figure the penalty. If there are no entries on line 14, no penalty is owed.

Part III Figuring the Penalty		(a)	(b)	(c)	(d)
16 Enter the amount of underpayment(s) from Part II, line 14 in the respective columns (a) through (d)	16				
17 Enter the estimated tax installment due dates used in Part II, line 6 in the respective columns (a) through (d)	17				
18 Enter the date each estimated tax installment was paid or the 20th day of the fourth month following the close of the tax year, whichever is earlier for columns (a) through (d)	18				
19 Enter the number of months from the date shown on line 17 to the date on line 18 for columns (a) through (d) (See instructions).....	19				
20 Multiply the following: Number of months on line 19 x .00667 x underpayment on line 16 for columns (a) through (d).....	20				
21 Underpayment penalty — Add line 20, columns (a) through (d). Enter the total here and on Form N-30, line 20, Form N-35, line 24, or Form N-70NP, line 17.	21				

Schedule A Required Installments Using the Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under IRC Section 6655(d)

Form N-35 filers: For lines 2, 14, 15, and 16 below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under IRC section 1374(a) (or the corresponding provisions of prior law), whichever applies.

Part I — Annualized Income Installment Method		(a)	(b)	(c)	(d)
1 Annualization period (see Instructions).	1	First _____ months	First _____ months	First _____ months	First _____ months
2 Enter taxable income for each annualization period.	2				
3 Annualization amount (see Instructions).	3				
4 Annualized taxable income. Multiply line 2 by line 3.	4				
5 Figure the tax on the net capital gains and ordinary income in each column on line 4 by following the instructions for Form N-30, Schedule J, lines 14 thru 17 or Form N-35, line 22a thru 22d.	5				
6 Enter other taxes for each payment period (see Instructions).	6				
7 Total tax. Add lines 5 and 6.	7				
8 For each period, enter the same type of credits as allowed for Form N-220, lines 1 and 2c (see Instructions).	8				
9 Total tax after credits. Line 7 minus line 8. If zero or less, enter -0-.	9				
10 Applicable percentage.	10	25%	50%	75%	100%
11 Multiply line 9 by line 10.	11				
12 Add the amount in all preceding columns of line 11 (see Instructions).	12				
13 Annualized Income Installments. Line 11 minus line 12. If zero or less, enter -0-.	13				

Schedule A

Part II — Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See the Instructions for more information.)

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
14 Enter the taxable income for the following periods:					
a Tax year beginning in 1994	14a				
b Tax year beginning in 1995	14b				
c Tax year beginning in 1996	14c				
15 Enter taxable income for each period for the tax year beginning in 1997.	15				
		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
16 Enter the taxable income for the following periods:					
a Tax year beginning in 1994	16a				
b Tax year beginning in 1995	16b				
c Tax year beginning in 1996	16c				
17 Divide the amount in each column on line 14a by the amount in column (d) on line 16a.	17				
18 Divide the amount in each column on line 14b by the amount in column (d) on line 16b.	18				
19 Divide the amount in each column on line 14c by the amount in column (d) on line 16c.	19				
20 Add lines 17 through 19.	20				
21 Divide line 20 by 3.	21				
22 Divide line 15 by line 21.	22				
23 Figure the tax on line 22 following the instructions for Form N-30, Schedule J, lines 14 thru 17 or Form N-35, line 22a thru 22d.	23				
24 Divide the amount in columns (a) through (c) on line 16a by the amount in column (d) on line 16a.	24				
25 Divide the amount in columns (a) through (c) on line 16b by the amount in column (d) on line 16b.	25				
26 Divide the amount in columns (a) through (c) on line 16c by the amount in column (d) on line 16c.	26				
27 Add lines 24 through 26.	27				
28 Divide line 27 by 3.	28				
29 Multiply the amount in columns (a) through (c) of line 23 by the amount in the corresponding column of line 28. In column (d), enter the amount from line 23, column (d).	29				

(Continued on page 4)

Schedule A

Part II — Continued

		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
30 Enter other taxes for each payment period (see Instructions).	30				
31 Total tax. Add lines 29 and 30.	31				
32 For each period, enter the same type of credits as allowed for Form N-220, lines 1 and 2c (see Instructions).	32				
33 Total tax after credits. Line 31 minus line 32. If zero or less, enter -0-.	33				
34 Add the amounts in all preceding columns of line 41 (see Instructions).	34				
35 Adjusted seasonal installments. Line 33 minus line 34. If zero or less, enter -0-.	35				

Part III — Required Installments

		1st installment	2nd installment	3rd installment	4th installment
36 If only one of the above parts is completed, enter the amount in each column from line 13 or line 35. If both parts are completed, enter the smaller of the amounts in each column from line 13 or line 35.	36				
37 Divide line 5, page 1 of Form N-220, by 4 and enter the result in each column. (Note: "Large corporations" see the instructions for line 7(b) for the amount to enter.)	37				
38 Enter the amount from line 40 of the preceding column.	38				
39 Add lines 37 and 38.	39				
40 If line 39 is more than line 36, subtract line 36 from line 39. Otherwise enter -0-.	40				
41 Required installments. Enter the smaller of line 36 or line 39 here and on page 1 of Form N-220, line 7.	41				